



County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
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WILLIAM T. FUJIOKA
Chief Executive Officer

March 17, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

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MARCH 17, 2009

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**AUTHORIZATION TO RENEW CONTRACT FOR THE
RISK MANAGEMENT INFORMATION SYSTEM
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

This letter seeks Board authorization to renew Contract No. 73275 with Risk Technologies, Inc. (RTI), for maintenance and repair services of the Risk Management Information System (RMIS), for an additional one-year period, effective April 14, 2009, through and including April 13, 2010.

JOINT RECOMMENDATION WITH COUNTY COUNSEL THAT YOUR BOARD:

1. Authorize the Chief Executive Officer (CEO) and County Counsel, as joint Program Directors, to renew Contract No. 73275 (Contract), with RTI, for maintenance and repair services for RMIS, for an additional one-year period, effective April 14, 2009, through and including April 13, 2010.
2. Instruct the Auditor-Controller to continue to pay program costs as invoiced and validated by the CEO.
3. Accept the attached annual summary report documenting the outcomes and effectiveness of RMIS.

"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On March 6, 2001, your Board approved and executed a contract with RTI to procure and maintain RMIS and authorized the CEO to execute up to six annual contract renewal options through December 6, 2010.

On March 1, 2005, your Board approved Amendment No. 2 to the Contract and instructed the CEO and County Counsel, as joint Program Directors, commencing with the 2006 scheduled renewal, to seek your Board's approval before executing each annual renewal option for enhanced maintenance services. The CEO and County Counsel were directed to provide justification for the renewal, based upon outcome measurement methodology.

On April 4, 2006, upon approval of our request to renew the Contract for an additional year, we advised your Board that future requests to your Board would be justified by submitting annual reports on RMIS outcomes and its effectiveness.

To ensure uninterrupted RMIS services, the CEO and County Counsel now request your Board's approval to renew the term of the Contract for an additional year, with justification for the renewal. As documented in the attached report, RMIS and RTI's performance continue to meet the County's data quality, data availability, and data accessibility expectations.

Implementation of Strategic Plan Goals

The services provided under this Contract support the County's Strategic Plan Goal Three, Organizational Effectiveness, and Goal Four, Fiscal Responsibility, by providing a centralized claim and litigation database that the CEO, County Counsel, County departments, and County's third party administrators utilize to improve the effectiveness of Countywide risk management and litigation activities.

FISCAL IMPACT/FINANCING

Funding for system upgrade projects and maintenance and support has been included in the Insurance Budget for Fiscal Year 2008-09 and budget request for Fiscal Year 2009-10. The Board has authorized up to \$15 million for system upgrade projects and maintenance and support, of which \$8.7 million has been spent to date. RMIS maintenance and support cost per year is \$948,000.

FACTS AND PROVISIONAL/LEGAL REQUIREMENTS

Risk Technologies, Inc., is compliant with all County standard terms and conditions.

IMPACT ON CURRENT SERVICES

Renewal of the Contract for one additional year will ensure uninterrupted continuation of critical services to the CEO, County Counsel, County departments, and third party administrators.

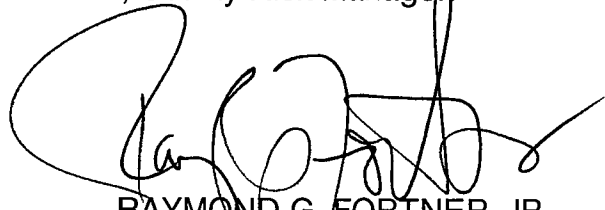
CONCLUSION

Upon approval by your Board, please return two adopted copies of this letter to the CEO Risk Management Branch, attention Rocky A. Armfield, County Risk Manager.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer



RAYMOND G. FORTNER, JR.
County Counsel

WTF:ES
RAA:JS:sg

Attachment

c: Executive Officer, Board of Supervisors
Auditor-Controller
Chief Information Officer

**COUNTY OF LOS ANGELES
RISK MANAGEMENT INFORMATION SYSTEM
ANNUAL REPORT SUMMARY
APRIL 2008 THROUGH APRIL 2009**

As requested by your Board on March 1, 2005, listed below are summary descriptions and status of each work order issued for system modifications and enhancements to the Risk Management Information System (RMIS) during the renewal term of April 14, 2008 through April 13, 2009. The work orders were created to accomplish the Upgrade Projects of the Priority 1 Enhancements, as provided to your Board on February 28, 2005. Upgraded projects meet the performance expectations established in the *Methodology to Measure the Outcomes and Effectiveness of RMIS*, as outlined in the December 30, 2005 report to your Board.

MAJOR ACCOMPLISHMENTS

- **RMIS/eCAPS Interface Implementation and Support**

In April 2008, the RMIS/eCAPS Interface was implemented. County of Los Angeles liability claim third party administrator (TPA) payments and most County Counsel warrants are printed, tracked, and reconciled with eCAPS. Prior to this enhancement, the TPA payment process took a minimum of 14 days from the time the request for payment was initiated to the time the vendor received the warrant. Payment processing has decreased to a maximum of three to five days (64% improvement in efficiency). Prior to the implementation, County Counsel staff entered payment information into both RMIS and later into eCAPS. Currently, County Counsel staff enters the information into RMIS, data is automatically submitted to eCAPS each night, and warrants print the following business day (50% decrease in workload).

COMPLETED WORK ORDERS

- **RMIS Attorney Page**

In May 2008, the new "Attorney Page" for RMIS litigated files was implemented. This enhancement improved the consistency of RMIS legal information and allowed for more accurate and detailed monitoring of lawsuits. The enhancement's primary benefit is to provide County Counsel and TPA personnel one central page to view and edit a matter's legal information and all related sub-files. Details of the work order accomplishing parts of Upgrade Project 11, included:

- Creation of the "Attorney Page" for RMIS litigated files to improve the consistency of legal information; and
- Protocols to be applied when updating RMIS legal case information.

WORK ORDERS IN PROGRESS

- **RMIS Enhancements to the Functionality of Reserves, Passwords, Files, Notes/Diaries, Cause of Loss Codes, and Data Fields/Coverage**

Details of the work order accomplishing parts of Upgrade Projects 3, 4, and 11, included:

- Creation of an avenue to more effectively identify and report files created in error or as duplicates;
- More flexibility and efficiency in the assignment and transfer of notes and diaries within RMIS;
- Improved efficiency for creating sub-files;
- Improved usefulness and quality of management reports which monitor case status and budgetary controls and document case decisions;
- Addition of various data elements for improved tracking;
- Addition of property coverage type for more accurate coding of such claims;
- Increased security to protect the confidentiality of the County's privileged legal information;
- Ability to create and edit specific user-group form letters; and
- Ability to track an unlimited number of causes of loss and the ability to easily indicate the primary cause of loss.

The following two items are in the process of being completed:

- Removal of the "Auto Reserve" feature from the Time Billing posting process to improve the tracking of County Counsel fees for claims and litigation; and
 - An improved search engine for the list of causes of loss to facilitate more accurate reporting.
- Currently, the CEO and County Counsel are working with Risk Technologies, Inc., to improve the Online Risk Business Intelligence Tool (ORBIT). Using the Cognos Suite of Applications, we are developing a centralized reporting area for use by all RMIS end users, as well as a resource for departments to access information on an aggregate level. The CEO and County Counsel have been working closely to more accurately and efficiently report to your Board information concerning claims and litigation.

WORK ORDERS IN DEVELOPMENT

- Enhancement of the checklist system containing all components for reviewing and scoring a quality review process.
- Enhancements to the RMIS/eCAPS Time Collection Interface.

MISCELLANEOUS ITEMS

- CEO and County Counsel staff are assessing the following enhancement projects for the next contract period:
 - eCAPS time collection enhancement;
 - Medicare secondary payer mandatory reporting enhancement;
 - County Counsel legal e-billing enhancement; and
 - Enhanced Information sharing (electronic sticky note).